



SMALL BUSINESS ADMINISTRATION

Reporting and recordkeeping requirements under OMB review

AGENCY: Small Business Administration.

ACTION: 30-Day Notice.

SUMMARY: The Small Business Administration (SBA) is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act and OMB procedures, SBA is publishing this notice to allow all interested member of the public an additional 30 days to provide comments on the proposed collection of information.

DATES: Submit comments on or before [INSERT DATE 30 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER]

ADDRESSES: Written comments and recommendations for this information collection request should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection request by selecting “Small Business Administration”; “Currently Under Review,” then select the “Only Show ICR for Public Comment” checkbox. This information collection can be identified by title and/or OMB Control Number.

FOR FURTHER INFORMATION CONTACT: You may obtain a copy of the information collection and supporting documents from the Agency Clearance Office at Curtis.Rich@sba.gov; (202) 205-7030, or from www.reginfo.gov/public/do/PRAMain

SUPPLEMENTARY INFORMATION: The Small Business Investment Act authorizes SBA to guarantee a debenture issued by a Certified Development Company (CDC). The proceeds from each debenture are used to fund loans to eligible small business concerns (“504 loans”). 15 USC 697(a). The Small Business Act and the Small Business Investment Act mandate that all guaranteed loans provided by the SBA to small business

concerns (SBCs) must have a reasonable assurance of ability to repay. See 15 USC 636(a) (6) and 687(f); see also 13 CFR 120.150. The information collections described below – SBA Form 1244 is part of the application process for a 504 loan. SBA issued Information Notice under control number 5000-20056 on September 30,2020 for the retirement of Form 2450.

Additionally, in accordance with the National Defense Authorization Act (NDAA)/Small Business Runway Extension Act (SBREA) for the anticipated Fiscal Year 2022 final rule, the SBA plans to use its administrative discretion to permit loan applicants to choose between 3 years and 5 years for receipts-based size standards, and from 12 months to 24 months for employee-based size standards. (15 USC 632(a)(2))

Solicitation of Public Comments:

Comments may be submitted on (a) whether the collection of information is necessary for the agency to properly perform its functions; (b) whether the burden estimates are accurate; (c) whether there are ways to minimize the burden, including through the use of automated techniques or other forms of information technology; and (d) whether there are ways to enhance the quality, utility, and clarity of the information.

Summary of Information Collection:

OMB Control Number: 3245-0071

Title: Application for Section 504 Loans

Form Number: SBA Form 1244

Description of Respondents: Small Business Concerns applying for a section 504 loan and Certified Development Companies.

The information collected by this form is used to review the eligibility of the small business concern (SBC) for SBA financial assistance; the creditworthiness and

repayment ability of the SBC; and the terms and conditions of the 504 loan for which the SBC is applying.

SBA has established a streamlined loan application processing procedure known as the Abridged Submission Method (ASM). Under this process, the CDCs are required to collect and retain all exhibits to SBA Form 1244, but are only required to submit selective documents. CDCs using the non-ASM method are required to submit all documents and exhibits required for Form 1244.

The burden estimates (based on the experience of the CDCs and SBA field offices) of the burden hours imposed by use of these forms, including exhibits, are as follows:

There are 200 CDCs affected by the information collection. The total number of small business concerns that will annually respond to Form 1244 is approximately 7,119 based on the average submission of applications submitted from CDCs over the past FY using both the ASM and non-ASM methods. This is a total of 7,119 respondents. Burden hours are 2.25 hours for PCLP Loan and ALP Express Loan, 2.5 hours for ASM, and 3.5 hours for non-ASM submissions.

Estimated Number of Respondents: 7,119

Estimated Annual Responses: 7,119

Estimated Annual Hour Burden: 14,238

Curtis Rich
Agency Clearance Officer.

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